

D.P.U. 91-233-C-1

Investigation by the Department of Public Utilities of Boston Edison Company's Second Annual Demand-Side Management Reconciliation Report and individual program reports and the Company's Conservation Charge.

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## I. INTRODUCTION

On November 2, 1993, pursuant to a demand-side management ("DSM") settlement agreement ("1992 Settlement") between Boston Edison Company ("BECo" or "Company"), the Attorney General of the Commonwealth ("Attorney General"), the Commonwealth of Massachusetts Division of Energy Resources ("DOER"), the Conservation Law Foundation ("CLF"), the Energy Consortium ("EC"), and the Massachusetts Public Interest Research Group ("MASSPIRG") which was approved by the Department of Public Utilities ("Department") on December 22, 1992, the Company filed its estimate of the 1994 conservation charge ("CC") to become effective February 1, 1994 (1992 Settlement at 6). As part of its CC filing, the Company filed proposed revised savings and participation goals for its 1994 DSM implementation.<sup>1</sup>

Pursuant to a procedural schedule determined by the Hearing Officer, the Department conducted a hearing at its offices on January 25, 1994 to investigate the Company's proposed goals. The Department issued an Order on March 22, 1994 addressing the goals which would represent projections of annual kilowatthour ("KWH") and kilowatt ("KW") savings and annual participation rates to be achieved through the Company's DSM programs for the period February 1, 1994 to January 31, 1995. See Boston Edison Company, D.P.U. 91-233-C ("Order"). In the Order, the Department directed the Company to revise its 1994

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<sup>1</sup> Savings goals are the kilowatthour and kilowatt savings projected to be achieved through the Company's DSM programs. Goals are established to govern the implementation of the Company's DSM programs, to estimate and recover lost base revenues, and as a base for the financial incentive calculation (See, 1992 Settlement at 12-13).

program goals and submit the to the Department in the form of a cpmpliance filing no later than 30 days following the issuance of the Order. Order at 39. The Company made its compliance filing on April 21, 1994 ("Compliance Filing"). CLF and the Attorney General ("Non-Utility Parties" or "NUPs") filed comments expressing their concern about the methodology and assumptions utilized in the Complainece Filing ("NUPs Comments"). The Company filed a response to the Non-Utility Parties' Compliance Filing Comments on May 10, 1994 ("Company Response").